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Nazis Preferred

The RENAZIFICATION of WESTERN GERMANY

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By MOSES MILLER

ABOUT THE AUTHOR

Moses Miller, the author of this pamphlet, is the editor of Jewish Life. He is widely known as a teacher, writer, and authority on the history, struggles, and problems of the Jewish people.

During the war he served in the U.S. armed forces stationed in India. He is also author of numerous pamphlets, including Crisis in Palestine and Soviet "Anti-Semitism"—The Big Lie.

NAZIS PREFERRED

THE RENAZIFICATION OF WESTERN GERMANY

I. SEWING UP GERMAN STEEL

On November 16, 1946, the Technical Staff of L.O.I.C. (Level of Industry Committee) was to start discussing the level of German steel production. Like many other committees, it had been set up by the Big Four (U.S., France, England and the Soviet Union) after the war to work out plans to insure that Germany never again waged war; to help create a new kind of Germany—a democratic Germany.

L.O.I.C. was supposed to recommend what kind of industry and how much was to be allowed in Germany. Also what kind of industry and how much was to be shipped to the countries

that had suffered at the hands of the Nazis.

L.O.I.C. had a big job to do with plenty of headaches and a little progress to report. That is, until November 16, 1946, when L.O.I.C. members got together to talk steel.

Sorry, said the American member. Can't talk steel. General Clay has just issued an order that Americans would no longer

discuss steel or chemicals in L.O.I.C.

But General Clay had no right to decide this on his own, the others argued.

Sorry, said the American. Those are my orders.

Who gummed up the works?

The answer was given by the American member, B. U. Ratchford in a book he and William D. Ross wrote a short time after.

"The moving spirit behind this change was one man, Rufus J. Wysor, former president of Republic Steel Company and chief of the Metals Section. He had been employed and sent to Germany as United States expert on steel. In all matters related to steel he jealously guarded his right to speak for the United States. He was a personal friend of General Clay and he never hesitated to bypass all his intermediate superiors and go straight to Clay with his ideas and requests."—Berlin Reparations Assignment, page 110.

II. OPERATION RUHR

As we shall see, Rufus Wysor of Republic Steel wasn't the only one throwing his weight around in Berlin. There are a couple of other steel corporations in America who know a good thing when they see it.

Like United States Steel Corporation.

Before getting down to U. S. Steel, let's look into the case of Dr. Heinrich Dinkelbach, 58-year-old German steel baron.

"In 1925," says Delbert Clark, N. Y. Times correspondent in his book Again the Goose Step, "he [Dinkelbach] was manager of the Thyssen blast furnace in Duisberg, and the next year directed the merger of a number of big steel companies into the Vereinigte Stahlwerke (United Steel Works), largest steel combine in Germany. In 1933 he became a member of its board of directors.

"In 1938 he became a member of the Nazi Party but even before that he had been an original sponsor and financial supporter of Himmler's S.S. He had been accused of organizing the Nazi looting of industrial equipment in the Netherlands, and has not denied the charge."

It looks like Dinkelbach was no small time operator. But then, United Steel was no fly-by-night organization. By 1926, United Steel was producing more than 50 per cent of all the steel in Germany. Some of the biggest money men and interests (Flick, Stinnes, Thyssen, I. G. Farben) had joined forces to get this giant combine going. And even all of these bigwigs couldn't have put it across without a tidy \$125 million loaned by the American banking firm, Dillon-Read. The same Dillon-Read from which came Secretary of Defense, James Forrestal

and General William H. Draper, both pretty keen on putting

the big German steel trusts into business again.

Heads of United Steel were solid behind Hitler, financed and provided steel and armaments for his war and concentration camps. But out of more than 500 top men of *Vereinigte Stahlwerke*, all of them holding high positions in the Nazi Party, only 31 were arrested. And with the aid of Dr. Dinkelbach, 27 out of the 31 got out from under quickly enough.

Dr. Dinkelbach, himself, was never arrested. Quite the contrary. He was treated like an honorable citizen and appointed by the British to head the entire steel industry in

their zone.

The British, however, were not the only ones who thought highly of Dinkelbach. When the American and British zones were united into Bizonia, Generals Clay and Robertson put out their plan for the Ruhr known as Law No. 75. Under this law all the steel companies were put under the control of a 12-man board of trustees who would run the works. And who should turn up as head of this board, composed of the same men who worked with Hitler, but Dr. Dinkelbach.

Of course, Dr. Dinkelbach and his colleagues aren't the free agents they used to be. Something new has been added—a Steel Commission to supervise Dr. Dinkelbach and his board; to decide how much steel and chemical and coal is to be produced, where it is to be sold and for what purposes it is to be used. And whom do we find on this powerful commission—in which there are British and French representatives, but which is controlled by America—but William J. Brinkerhoff, Werner P. Naumann, Ronald Clark and I. F. L. Elliot, all of the United States Steel Corporation.

Quite a law, that No. 75.

Practically puts the Ruhr in the vest pocket of the American steel barons.

III. IT DEPENDS ON HOW YOU LOOK AT IT

"I still think this is treason," said the Senator in 1942.

What else would any decent American have said if he had found out that an American firm had been turning over new chemical discoveries to the Nazis? Especially when these new

discoveries helped the Nazis tremendously in pushing ahead with their war plans. And particularly when our own country was stymied for a while when it went to war because it couldn't lay its hands on the same chemical developments.

The American firm was Standard Oil Company of New Jersey. And the German firm with which it had connections for many years was the giant I. G. Farben chemical combine.

In 1942 the Senator knew only part of the story. But by 1945 he could fill in all the missing links. For when the American Army marched into Germany, it managed to get hold of the I. G. Farben files. Here are just a few of the facts supplied from the German end.

"As a consequence of our contracts with the Americans," says a memo found in the I. G. Farben files, "we received from them above and beyond the agreement many valuable contributions for the synthesis and improvement of motor fuels and lubricating oils, which just now during the war are most useful to us.

"Without lead tetra-ethyl, the present method of warfare would be unthinkable. The fact that since the beginning of the war we could produce lead tetra-ethyl is entirely due to the circumstance that shortly before the Americans had presented us with the production of plants complete with experimental knowledge."

In 1942 the Senator called it "treason." But in 1946 the Senator was President of the United States. And the President seems to have felt a little different about the whole matter. For in 1946, the President raised no objection when heads of American Military Government in Germany appointed Philip P. Clover of Socony Vacuum, a foreign subsidiary of Standard Oil of N. J., to head oil operations in Germany.

IV. BOMBS AWAY

Fifty missions were enough to make a flyer pretty weary, was the way Army heads had it figured. So, 50 missions and back to the States was the rule.

But 50 times thousands of pilots, bombardiers and navigators could do a lot of damage. And they did. Germany took a beating.

Since the main aim of the bombing was supposed to be to put German industrial production out of commission, Americans expected to hear that German industry had been knocked for a loop. Strangely enough, however, it turned out that while over 20 per cent of all German housing was destroyed, most of the factories were left untouched. U.S. News, for example, reported on June 3, 1949 that a survey of Germany showed "productive capacity still intact."

How come?

Part of the answer was supplied, perhaps unknowingly, by the late General Hap Arnold, war-time Air Force chief.

"There have been many criticisms," wrote the General in the New York *Times* on December 6, 1949, "of our strategic bombing in Germany and Japan. . . As far as we knew, we were using the best available information for target selection. We were using as advisers men who had been in Germany and Japan; who had helped build their industries, loaned them money, studied their industrial problems, sold them their factory equipment and visited their factories. What better source of advice could we have obtained."

What better source, indeed!

Can't you just see the big guns of General Motors and Dillon Read, of Standard Oil and U.S. Steel marching into the Pentagon, stepping up to a map and saying—Here are the plants we've got a couple of million bucks sunk in. Bombs away, General. Knock them to smithereens.

V. IT PAYS TO HAVE FRIENDS

When 22 I. G. Farben heads were arrested after the war and indicted as war criminals, the American prosecution charged them with "planning, preparing, initiating and waging wars of aggression and invasion of other countries; deportation to slave labor of members of the civilian population of the invaded countries and the enslavement, mistreatment, terrorization, torture and murder of millions of persons. . . .

"Poison gases manufactured by Farben," the indictment says, "and supplied by Farben to officials of the S.S. were used

in experimentation upon and extermination of enslaved per-

sons throughout Europe. . . ."

The peculiar thing was that Herman J. Abs, war-time director of I.G. was never arrested. People in the know say that Abs was even more powerful in Nazi days than banker Schacht. In fact, a special American Military Government report in 1948 branded Abs as one of the most dangerous men in Germany.

The British, however, just couldn't get themselves to put such a big banker on trial as a simple gangster and murderer. Nor, for that matter could Dillon-Read's General Draper and

the other heads of American Military Government.

So Herman J. Abs is sitting alongside Dr. Dinkelbach, these days, as a director of the steel trust. But Abs has gone him one better. As manager of the U.S. sponsored Reconstruction Loan Corporation; Abs is now chief banker for German industry.

But what about the I. G. Farben men that had been indicted? As things turned out, it seemed that the judges just couldn't get themselves to believe that such fine, outstanding big businessmen could be classed as war criminals. And who

appointed the judges?

"Officials of the [War] Department," says Howard Ambruster on March 20, 1948, in the Nation, "when I asked who recommended the judges, replied that this information was confidential—none of the public's business. But it is a matter of record that preparations for the trials were in the hands of the then Assistant Secretary of War, Howard Peterson. And Mr. Peterson entered the government service from the law firm of Cravath, de Gersdoff, Swaine and Wood, which for many years acted as counsel for I. G. Farben and its affiliates and subsidiaries in our courts."

Strangely enough, Mr. John J. McCloy, American High Commissioner in Germany was a member of the same law firm from 1925 to 1940.

VI. OLD RELIABLES

"In a one hour ceremony that was almost somber," reported the New York *Times* on May 24, 1949, "Dr. Konrad Adenauer, President of the Parliamentary Council declared 'today a new Germany arises.' "

The splitting of Germany had been completed.

The West German state, composed of American, British and French zones, had been established. And Dr. Konrad Adenaure was to be its first premier.

Adenauer is no newcomer in German politics. When the Kaiser still sat on the throne, Adenauer was already mayor of Cologne. For services rendered, he was soon promoted to a seat in the upper House of the Prussian Parliament. By the time Hitler was getting ready to take over, Adenauer had become President of the Prussian State Council. Though never an official Nazi Party member, his heart was always in the right place.

Thus, as far back as 1927, Adenauer was writing in a German magazine "The German Reich must at all costs strive for the acquisition of colonies. The Reich is too small for our people, and we must therefore have more colonies."

To this Hitler said Amen as he and his storm-troopers

marched off to conquer the world.

Of course, Adenauer didn't spend all of his time in Parliaments. He had other matters to attend to. Such as sitting on the Board of Directors of a few banks and trusts, with bankers Schacht and Abs in the Deutsche Bank, with Krupps and Thyssen on the boards of a couple of big electrical combines which incidentally had a bit of American money tied up in them.

Here was a man who could be relied upon by the Schachts, the Dinkelbachs and the Abs. For Adenauer was, as Joseph Alsop once wrote, "the personal representative of the owners and managers of big industry in the Ruhr." And if he suited them, he was sure to suit Dillon-Read, Standard Oil, General Motors and U.S. Steel.

Of course, a government can't be run just by a Premier. You need a President and a Cabinet. And they have to be reliable men, too. Read their records and judge for yourself:

Theodore Heuss, President of the new state, whom even the State Department was forced to admit had supported Hitler, had, in fact, voted in the Reichstag in 1933 to give Hitler dictatorial power.

Ludwig Erhard, Minister of Economics, formerly adviser to the Nazi chief of the Saar and head of the Nazi Institute for Industrial Research.

Franz Bluecher, E.C.A. (Marshall Plan) minister, big time Essen banker.

Gustave Heinemann, Minister of Interior, formerly directing manager of Rheinische Stahlwerke (steel works) controlled by I. G. Farben.

Fritz Schaeffer, Finance Minister, so reactionary and with such close ties with the Nazis that even American Military Government was forced to remove him from his post as Premier of Bavaria back in 1946.

Hans Christian Seebohm, Minister of Transport, formerly

member of the supervisory council of I. G. Farben.

These are some of the men who are going to create the "new Germany." And it seems that Hitler's banker, Schacht is now eligible, too. For, according to the New York *Times* of June 15, 1949, Major General George P. Hays, Deputy Military Governor declared that "there is nothing to prevent his [Schacht's] appointment by the projected West German Government."

VII. BIRTH OF THE "NEW ORDER"

While Adenauer and his sponsors were hailing the "new Germany," many Germans were trying to figure out what was really so new about this state. Thus a correspondent from Germany, calling himself Carolus, was writing in *The Nation* on May 14, 1949:

"Yesterday, April 25, the West German State . . . saw the light of day in Military Government headquarters. For the Germans it was a painful forced delivery in a military hospital. Those who witnessed it inevitably recalled a similar event—the birth of the Weimar Republic. That was in Berlin on November 9, 1919 . . ."

But there were some differences, too—and pretty important ones at that. Back in those days American bankers and industrialists were just beginning to sink their money in Germany; getting ready to give the Krupps and Thyssens a hand. Naturally, for a price. But not too steep. The usual bankers

rates. Plus a promise from the Germans to act as a policeman in Europe to keep that specter of Communism from spreading.

But things have changed. American bankers and industrialists are too big to hand out partnerships any more. After all, it's dollars that count these days. And Dillon-Read and Standard Oil and U.S. Steel are ready to hand out a few bucks to loyal employees who do as they are told. And if they behave real well, maybe even a junior partnership. But no more than that.

Paul Hoffman, from Studebaker Corporation, who is head of the Marshall Plan made that quite clear back in 1948 when he told the Senate: "We are like a banker. We can say we will not place our dollars here unless you do this and this."

Of course, there's another thing that worries our American bankers. They remember how German bankers and industrialists took everything that was handed them, promised to head east and then made an about-face and started moving in our direction. They hadn't figured on that and didn't like it at all. So they're being a little more careful this time.

One also had to do a little careful watching to see that the Adenauers behaved properly and didn't stick any jokers in the constitution that might be embarrassing. Or not come up with it on schedule. That was taken care of, too. Carolus has a cute little story to tell about this angle.

"For six hours the party representatives of the Bonn Parliamentary Council, with the exception of the Communists, were locked up in a hall. . . . Not even official stenographers were permitted to be present. . . . Toward evening the Germans wanted to adjourn the session. The Military Governors detained them. 'You must agree and decide.' As night fell, the German delegates, on the verge of exhaustion, produced the Federal Republic. While the new state may bring Germans many benefits and increased freedom, the fact remains that an American soldier stood outside the door of the Frankfurt conference room with orders to let no one in or out. Could there be a more effective demonstration of who wields the power in the new state?"

And just to make sure that everybody knew "who wields the

power" one more precaution was taken. Known as the West German Occupation Statute. It's all pretty dignified sounding stuff. Like the passage that reads:

"In order to insure the accomplishments of the basic purposes of the occupations, powers in the following fields are specifically reserved . . .

"(c) foreign affairs, including international agreements

made by or on behalf of Germany . . .

"(g) control over foreign trade and exchange."

So the Germans can have themselves a constitution to play with. And Americans can be handed pretty headlines about how hard American Military Government is working to make Western Germany a real democratic state. But General Motors and Dillon-Read and Standard Oil and U.S. Steel will be the real bosses running the works.

With the help, of course, of their old friends Dinkelbach,

Abs, Schacht and I. G. Farben.

VIII. NAZIS PREFERRED

From 1945 to 1947, James Stewart Martin was chief of the Decartelization branch of the American Military Government in Germany. He tried to do his job. But the cards were stacked against him. He found that out quickly. So he quit. And he tried to warn the American people about what was happening. "Hitler built his Nazi Party," wrote Martin in the New

"Hitler built his Nazi Party," wrote Martin in the New York Post on August 30, 1948, "on the slogan that Nazism

would save the world from Communism. . . .

"The alliance of Germany's heavy industry trusts and cartels with the Nazis in a crusade against 'Communism' fooled enough people once to help bring on the world's bloodiest war. It is now fooling them a second time.

"The U.S. is making a 'bulwark against Communism.' Reorganization of the heavy industry cartels in Germany has been called off; and Nazis are being allowed to slip back into

their old grooves."

That's plain talk. With plenty of proof to back it up.

Go back to 1945. To the days before the cold war got under way. Before the spy scares and witch hunts. Back to July of 1945 when Truman went over to Potsdam to meet with Stalin and Atlee to discuss what to do with Germany. They reached

some important agreements there.

"German militarism and Nazism," they proclaimed, "will be extirpated and the Allies will take . . . measures necessary to assure that Germany never again will threaten her neighbors and the peace of the world."

They promised to disarm Germany, to bring all the war criminals to trial, to destroy the cartels, to pay reparations, to remove all leading Nazis from power, to develop local government on a democratic basis and gradually prepare for the economic and political unity of Germany, to encourage the development of free trade unions.

Truman agreed to that on behalf of the American government. And no top American leader has ever said publicly that we weren't going to live up to that agreement. As a matter of fact, all you kept hearing over the radio and in the press was that the Soviet Union was the one violating the Potsdam agreements.

Take the statement of former Secretary of the Army, Kenneth Royall on January 8, 1948, "We have removed from positions of influence most of the top leaders who have fomented and conducted the cruel war of oppression; we have abolished the pernicious cartels."

Sounds like we were living up to our agreements, doesn't it? The only thing wrong is that it turned out to be just so much hogwash for the public. Even the Presidential appointed Ferguson Committee was forced to admit a year later (April 30, 1949), that: "U.S. Occupation officials have failed to smash a single one of Germany's giant monopolies under a crackdown law now two years old."

It didn't take the Nazis long to see which way the wind was

blowing and to have themselves a good laugh.

By 1947, Sigrid Schultz was telling Collier magazine readers that: "Whereas two years ago, everybody was eager to disclaim any connections with the Nazis, today the former followers of Hitler who have not been arrested as criminals fare much better than non-Nazis. . . . Consequently you will find people who suddenly claim membership in the Nazi Party to get preferential treatment." (November 8, 1947.)

Is it any wonder that, by 1950, S.S. men were able to walk

up to housing projects and evict anti-Nazis? And why not? Is it more brazen than letting Ilse Koch, whose hobby was making lampshades out of human skin, go free? Any more brazen than granting pensions of 500 marks to widows of Nazi leaders and the munificent sum of 80 marks to widows whose husbands had been murdered in concentration camps?

"Four years after the surrender of Germany," says Delbert Clark, "American correspondents were writing dispatches about jack-booted young toughs marching in political parades and singing *Deutschland uber alles*; about the recapture of the school system by Nazi teachers; about the restoration of Germany's highly integrated industry to its old managers; about the unashamed resurgence of anti-Semitism; about the

Nazis in key positions in the police force."

Or take a look at this question of reparations. Truman had agreed to that, too, at Potsdam. Why wasn't it carried out? Of course, by 1948 and 1949 the cold war had already been built up to such a pitch that it offered a wonderful excuse to back down on this promise. But what about 1945? We hadn't even finished World War II. Yet Washington was reneging even then on the agreements made. As far back as October 18, 1945, Henry Morgenthau declared in a speech at Boston University: "Despite the Potsdam agreement regarding machinery within the Anglo-American zone, the Soviet Union has thus far not received a single piece of machinery."

It's pretty clear, isn't it? There was no intention of carrying out these agreements. U.S. Steel, Standard Oil, Dillon-Read and General Motors weren't going to let any of the factories they had investments in or that could be used for rearming

Germany to be turned over to the Soviet Union.

Wall Street had no intention of living up to Potsdam. And the cold war plans weren't made yesterday or even a year ago. They were made while American boys were still getting killed in World War II.

IX. IT'S ONLY THE BEGINNING

It was V.E. day in Moscow. Ralph Parker, former New York Times correspondent, in his book Conspiracy Against the Peace, tells of the excitement and the joy of the people. And

of how he pushed his way through the crowds and went up to the American Embassy, where he found George F. Kennan, American Minister, standing at the window.

"I noticed," says Parker, "that as Kennan watched the stirring scene his face wore a curiously petulant, irritated look. Then turning from the window with the last glance at the crowd, he said grimly: 'They are cheering. . . . They think the war is over, but it's only the beginning!'"

And Kennan, who wanted no part of Yalta or Potsdam, and no agreements with the Soviet Union, went back to Washing-

ton soon after as top State Department adviser.

Of course, Kennan wasn't the only one in Washington with this kind of ideas. Long before Kennan returned, many of the boys in Washington were hard at work setting the wheels in motion for World War III.

"For a long time it has been no secret," wrote Drew Pearson on April 26, 1945, "that a group inside the State Department favored a soft peace with Germany with a view to making her a bulwark against Russia after the war. But so long as Roosevelt was in the White House, the State Department appears kept quiet.

"However, on the day after his body was buried, a meeting of the German Reparations Committee was held in the office of Assistant Secretary Will Clayton at which both the State and War Departments suddenly reversed Roosevelt's policy

of a hard peace.

"Specifically, he argued against the removal of Nazi factories, machine tools, plant equipment, or goods out of Germany... He [Clayton] even mentioned the fact that Germany would need to import cotton to manufacture clothes. . . . Clayton is the biggest cotton exporter in the world and did a heavy business with the Nazis before the war."

It wouldn't be too good if this kind of stuff got around while American boys were still out on the battlefields. So our great big "free press" obligingly killed Pearson's story. And, says Congresswoman Helen Gahagan Douglas, who had the stuff printed in the Congressional Record on May 1, 1945, Pearson's stories were suppressed "at the insistence of J. P. Morgan and Company and the Chase Bank."

It wouldn't do for the American people to know that Gen-

eral Motors owned almost 50 per cent of the Opel Auto Works in Germany; that the shares they bought back in 1920 for \$30 million were worth \$52 million in 1941; and that Opel was producing a lot of tanks for Hitler with which to mow down American boys.

No. It wouldn't do to let the American people know all this, especially when government heads were publicly declaring that they were all for Potsdam and yet appointing men like Peter Hoglund of General Motors as deputy to the chief military controller of all industrial production in Germany. And Graeme Howard, Edward S. Zdunek and Major Iger Petroff, also of General Motors, to other key positions in American Military Government.

"These things did not 'just happen,'" wrote Delbert Clark in his book. "They have been the result of a policy which ignored history, ordinary common sense, and the national interests of the United States of America. Worse, they have resulted from a policy which was never publicly announced but which went into effect piecemeal, under cover, almost furtively, while the nation and the world were being assured that nothing was changed."

X. STREAMLINING THE COLD WAR

The formula was a very simple one. First, keep the American people believing that everybody in Washington is just working their heads off to fulfill all the agreements we made at Potsdam.

Meanwhile, start the cold-war build-up. Begin the good old "Red" scare. Streamline it and bring it up to date with "loyalty" oaths, spy scares, witch hunts, arrests of Communist leaders, deportations, Mundt Bills, hydrogen bombs. So that by the time people begin waking up to the fact that there's something funny going on in Germany and that a shooting war is getting dangerously close, the big shots will be able to say: "Oh, we didn't plan it this way. We really wanted it different. But those Russians are making trouble. And we have to protect ourselves."

Take the case of General Electric and the United Electrical Workers.

In 1948, General Electric was convicted in the Federal

Courts for conspiring with a big Nazi armament firm to

monopolize hard metal production.

Our great "free" press, which will give you the last lurid detail when a stoolpigeon fingers a Communist, tried to keep the G.E. story from the public. Kept mum about the whole deal. But the United Electrical Workers, union of G.E. workers, felt the American people had a right to know about this deal with the Nazis. UE News on October 23, 1948, told why:

The UE News thinks the employees of the company and all other patriotic Americans . . . ought to know because it deprived many thousands of them of jobs.

"We think they ought to know because it drove out of

business many small business men.

"We think they ought to know because it deprived the U.S. armed forces of some of the most vital materials of war.

"We think they ought to know because it concerns a deal with one of the foulest enemies of Americans and of all mankind, the Krupp Co., the Nazi munition makers."

The payoff:

General Electric, which conspired with the Nazis, got itself some nice big juicy government contracts on hush-hush atomic projects. While U.E., which helped expose G.E. ties with the Nazis, was banned from such projects by the Atomic Energy Commission.

Think this story over for a minute and see what it adds up to. Here is a giant American firm that had ties and did business with the Nazis. Has big holdings in Germany today.

What would happen to G.E. if Dinkelbach and Abs, Adenauer and Krupps and all of the Nazis and militarists were dumped into the junk heap as we had agreed they should be? What would happen if all of the big monopoly firms that had built up Germany's war machine were turned over to the people, as we had agreed at Potsdam they should be?

What would happen? Simply this. We would be building up the democratic forces in Germany and laying the basis for a new kind of Germany, one which for the first time in his-

tory would not be the breeding ground for fascism and war.

But what also would happen is that it would not be a very happy hunting ground for any other monopolists and breeders of war, either. A democratic Germany would certainly not allow itself to be turned into a base for a new world war whether for Hitler or for G.E. or for Standard Oil.

John Foster Dulles, member of the law firm that acted for one of the biggest Nazi banking firms, Schroeder and Company, recently appointed as a top adviser by President Truman, put the issue bluntly. Speaking of the Berlin blockade, Dulles declared at a meeting of the Overseas Writers Association in Washington, on January 10, 1949: "It would be easy to solve the Berlin dispute at any moment . . . but the deadlock is of great advantage to the United States for propaganda purposes; and, secondly, the danger in settling the Berlin dispute resides in the fact that it would be impossible to avoid facing the problem of a German peace treaty. The U.S.A. would be faced with a Soviet proposal for the withdrawal of all occupation troops and the establishment of a central German government. I do not know what we could say to this."

Naturally, what could a Dulles or any of his banker friends say to the creation of a really democratic and unified Germany. What would happen to Dinkelbach and Schacht and Ilse Koch? But much more important, what would happen to all of those factories in the Ruhr and all over Western Germany that U.S. Steel and G.E. and Standard Oil and General Motors have taken over?

No. This business of a peace treaty is too dangerous. And if there are Germans who are sick and tired of war, who would like to live in peace and without Nazis—why that's just too bad. American bankers and business men aren't going to stand for any peaceful, democratic Germany.

XI. GERMANS AGAINST NAZISM

Many a German in western Germany who wanted a different kind of Germany found this out pretty quickly. They came to learn that under American occupation it would soon become almost as dangerous to proclaim oneself an anti-

Nazi as it was under Hitler. Yet many a German has begun to understand it's a matter of life and death to him to create a new kind of Germany.

In the province of Hessen, which is in the American zone, the overwhelming majority of the people voted in a plebiscite for the socialization of the coal mines and other basic industries. They wanted no more big Nazi bankers and industrialists running the works.

The American occupation authorities ordered the Hessen

government to disregard the will of the people.

When the Ruhr Statute was enacted at the express wish of the American bankers and industrialists, turning the Ruhr once again into an arsenal for war, 25,000 metal workers went out on strike.

Were they greeted by the American authorities as a welcome ally in the effort to create a democratic and peaceful Germany? Oh, no. They were greeted with threats and bayonets, with

imprisonment and loss of job.

All over western Germany, workers have, despite intimidation and growing threats to their physical well being, participated in strikes and demonstrations against the mild sentences imposed upon Nazi big wigs and active storm troopers. Thus, in Vesta, part of North Ruhr, thousands of transportation workers struck in protest against the appointment of a high ranking Nazi to the post of manager of their works. Forty thousand workers demonstrated in Bielefeld against a mild sentence imposed on a top Gestapo man in their town. And tens of thousands of workers in the Ruhr, and particularly miners, have demonstrated time and again against disgraceful conditions and wages.

Yes. There are still Nazis in Germany. But there are also many more tens of thousands of Germans, and especially workers, who have learned what Nazism and war mean. And they are fighting for a united and democratic Germany that can give them bread and butter and dignity and peace.

G.E. doesn't like this kind of Germans. Is afraid of them. As is Standard Oil and General Motors and Dillon Read and

George Kennan.

They're not going to let them take over, if they can help it. It might mean peace if they do.

XII. PHIL MURRAY'S "SHORT" MEMORY

Back in 1944, Philip Murray, CIO head, warned about leaving the "future security of the nation . . . in the hands of individuals who care less for this country than for partisan advantage." Is Phil Murray in there battling against these trusts that are turning western Germany into a colony and into a base for World War III? Did Phil Murray give the United Electrical Workers a helping hand in their battle to expose G.E. and the other trusts? Nothing of the sort. He's forgotten all about the fine speeches he delivered back in 1944. He's too busy kicking the U.E. out of the C.I.O. Or for that matter any union that dares to disagree with the policies that are leading to a renazified Germany.

Phil Murray is too busy trying to sell the cold war to worry about the interests of the working men he is supposed to

represent.

"We in the American labor unions," said Murray in a broadcast over the State Department's "Voice of America" station on December 7, 1947, "have no intent to turn the European aid program over by default to the Wall Street financial groups."

Can't you just see the Wall Street crowd sitting back and chuckling to themselves? As if Murray didn't know that Hitler's pals were back in power again by grace of American bankers and industrialists.

As if Murray didn't know German workers weren't allowed to strike or to even discuss working conditions.

Perhaps Murray isn't too much concerned as to what happens to the German workers. But he is an old enough hand at the game to know that what happens to workers in one country will sooner or later have its effects on the workers of other countries. British steel workers could tell Murray plenty of how British steel bosses used the argument of German competition to force their wages down.

German steel workers get on an average of ten dollars a week. Steel can be produced 50 per cent cheaper in Germany than in America. Does Mr. Murray think that U.S. Steel or Inland and Republic Steel will have the slightest hesitation in slashing wages or cutting production in America if they feel it suits their interests? Or that they will hesitate to smash the steel workers union in the process?

Steel workers aren't the only ones that have a stake in what's going on in Germany. And what's happened to the German workers. Auto workers could afford to do a bit of thinking about it, too. Opel Auto Works is now in the hands of General Motors. And over in Cologne, Edsel Ford is hard at work enlarging his auto plants known as the Fordswerke. Walter Reuther, head of the United Auto Workers, is too busy helping expel militant trade unions from the C.I.O. to bother informing his workers of what the auto bosses are doing in Germany. And his brother, Victor, also a U.A.W. official, is too busy travelling around Europe with Philip Reed, chairman of General Electric, trying to sell workers the idea that if they speed it up a bit, things will begin to look up.

Mr. Emil Rieve, if he wanted to, could tell his textile workers, who have long been facing speed-up and unemployment, what men like Clayton and his cotton export crowd have done to textile production in America. And to stepping up war plans. But of course, Mr. Rieve, like his pal Reuther, is too busy Red-baiting to worry about his workers' problems. New Times, as far back as July 11, 1947, informed its readers that "The German Neue Textilzeitung [German textile newspaper] reported at the beginning of May that the United States Commercial Company had signed an agreement with Afghan organizations concerning the delivery to Afghanistan of twelve million yards of cotton goods produced at German mills from American raw materials. . . . American companies are making substantial profits on these deals; it pays better to process cotton into textiles for export in Germany, where cheap labor power is plentiful, than in the United States."

Let a worker open his mouth about a raise and the bosses will start yelling their heads off about patriotism and about how this is all a plot concocted in Moscow. But all of their patriotism doesn't interfere with them picking themselves up and moving their factories to Germany or England or France—anywhere, so long as they can get cheaper labor. The fact that they've left American workers high and dry doesn't bother

them too much.

It surely doesn't bother General Electric, Apex, and Remington Rand, which have already moved some of their plants abroad.

Or North American Phillips Co., of Dobbs Ferry, New York. Said the president of North American, Peter van der Berg, as he threw the workers out into the street—it's cheaper to produce television sets, tubes, electric shavers and other electrical appliances in Europe.

Back in 1944, Philip Murray wrote an article for War and the Working Class, organ of the Soviet trade unions. And in

it he said:

"The trade union movement in any country is dedicated to raising the standards of living for its members and for all workers. Organized labor realizes, however, that rising standards of living in one country cannot endure if based on lower standards and exploitation of workers elsewhere in the world."

Never a truer word was spoken. And that's why the World Federation of Trade Unions was formed. So that workers all over the world could fight together to insure decent living conditions and not be used against each other; so that workers could join together to fight for peace.

And Murray helped, in those days, to set up that organiza-

Today, things are getting tougher for workers. There are over six million unemployed in America. Workers are paying and paying for phony European aid and armament programs. And American bosses are using their newly won control over European production as a weapon against American workers.

Today American workers could use a W.F.T.U. for themselves and for workers everywhere. But today Murray wants no part of W.F.T.U. In fact he has done everything to smash it. As his boys, Carey and Reuther, have done everything to smash every single militant trade union in Europe. As have A. F. of L. leaders like Matthew Woll done everything to help prevent the development of a real, militant, democratic trade union movement in Germany.

XIII. "SOCIALISTS" WHOM THE BANKERS LOVE

Take the case of Germany back in 1919. The workers were starving. They were fed up with the Kaiser and with the war. They were sick and tired of being suckers for a bunch of Generals, Junkers and industrialists. They revolted. They wanted a free, peaceful and democratic Germany. And they were going about creating it.

The big bankers, generals and Junkers were on the spot. The workers wouldn't listen to them. And they weren't strong enough to stop them. They needed someone who could do the job from the inside, who had the confidence of the workers.

They found their men. The Scheidemans, Eberts and Noskes. The Social Democratic leaders, that is, the men who pretended to be for socialism but who sold out the struggle for socialism every day of their lives.

They were the ones who sold the German workers down the river. By now the story of what they did is pretty well known. Even as far back as 1925, General Groener, who was Chief of the German General Staff in 1918, stated:

"On November 10, 1918, I had a telephone conversation with Ebert, and we concluded an alliance to fight Bolshevism and Sovietism and restore law and order. . . .

"Every day between 11 P.M. and 1 A.M. the staff of the High Command talked to Ebert on a special secret telephone."

Yes, these Social Democrats sure did "restore law and order." They shot down the workers in the streets, put the generals and bankers and Junkers back in power again and paved the way for Hitler.

What more could the bosses ask for?

And this gang is playing the same old game today. The only difference is that today's it's a Schumacher instead of an Ebert. And, as ever, the bosses are grateful. Herr Adenauer put it very bluntly on September 20, 1949, when he said: "I am of the opinion that the opposition [the Social-Democratic Party] is a state necessity, that it has a state duty to perform. Only because the government majority is faced by an oppo-

sition do we have a guarantee that no mass movement of the people will arise in the streets."

And Schumacher can point to a splendid record of service

to the Generals, Junkers and Hitler bankers.

And only a little while back, some further data was added to show the kind of "socialists" they have there.

It seems that a Communist leader charged that Herbert Kreideman, a member of the Central Gommittee of the Social-Democratic Party, and a close co-worker of Schumacher, was a Nazi spy and Gestapo agent. And that he was responsible for the death of many anti-Nazis. Kreideman sued for libel. The court, after examing the documentary evidence, was forced to agree that the charges against him were true.

Rank-and-file members of the Social-Democratic Party demanded his removal. But Schumacher refused to budge. It seems, said the information bulletin of the Christian Democratic Union, that if Kreideman talked he "might reveal interesting details about the past and present activities of leading figures in the Social-Democratic Party, which would

undermine the party's political prestige."

Nineteen hundred and nineteen. Nineteen hundred and fifty. This kind of "Socialist" hasn't changed.

BUILDING A NEW GERMANY

What a difference it would make to American workers, in terms of bread and butter, jobs and peace, if a different kind of Germany were being built today-a Germany with no Abs and Schachts and Adenauers and Schumachers running the works. And with no U.S. Steel and G.E. and Dillon Read in charge.

The fact is that there is such a kind of Germany being built. Not in western but in Eastern Germany. Call it Red, call it what you will. It's a Germany in which German workers have the full opportunity to build for peace, to rebuild their lives on a democratic basis and in co-operation with democratic-minded peoples everywhere.

What steps were taken to build this kind of Germany? First of all, the German people had to recognize what crimes they had been guilty of and undertake to make some changes. For without such initiative from the German people them-

selves, nothing could ever change in Germany.

But the German people had to be encouraged and given a hand in the job. And not be saddled again with Nazis, Junkers, Generals, Hitler-bankers and industrialists.

That's exactly what wasn't done in Western Germany.

Take the question of land reform. Back in December of 1945 a group of American reporters toured the Soviet Zone. Here is what United Press Correspondent Charles Arnot had to say on December 19, 1945:

"Throughout Russian-occupied Germany, the great estates which nurtured the von Hindenburgs, the von Brauchitsches and other 'vons' of the officers corp have been given to the peasants whom they kept in virtual serfdom at home and in their armies.

"All estates of 250 acres or more are automatically marked for division. If the owners were Nazis, they don't get paid. . . ."

Prussian Junkers and militarists weren't going to get a chance to prepare new concentration camps and wars. And, the land-hungry peasants who for more than a hundred years had been trying to get some land reforms were finally getting their wish.

And while in Western Germany more and more people were beginning to recognize that it was dangerous to be an anti-Nazi, in Eastern Germany it was a badge of honor, a

guarantee that all doors were open.

"The United States correspondents' tour of the Russian zone of Germany indicated," wrote Gladwin Hill in the New York *Times* on December 25, 1945, "that the project of denazification which has been so troublesome for the Americans is being handled with more facility by the Russians. . . ."

And with good reason. For the Soviet authorities were serious about this business of denazification. No Junkers were going to rule the roost. And no Schachts or Dinkelbachs, either. Nor, for that matter, were any Nazi school teachers going to get a chance to poison the minds of German children all over again.

And because the Soviet authorities were really serious about denazification, they went about it differently. They could have done the job themselves. But they knew that it would be better, in the long run, if the Germans did the job themselves. The German people must begin to learn the lesson of democracy through actual practice. Let them throw out the Nazi bankers and judges and teachers themselves.

Most of Germany's heavy industry is in the Western zones. Nevertheless, there are some coal mines and steel factories and I. G. Farben combines in Eastern Germany as well. But no Abs or Flicks or Thyssens were going to make a comeback

here and start war production all over again.

A Leo Skrzypzynski, no big-time banker, but simply a German anti-Nazi who had spent years in the Sachsenhausen concentration camp, was put in charge of forming a central economic board.

Flick had his coal mines in the Ruhr. And in the Soviet zone, too. In both zones he had been declared a war criminal. But only in the Soviet zone were his mines taken over and, as Gordon Schaffer points out in Russian Zone of Germany, "administered by the provincial governments through Boards drawn from member of the management staffs with a non-Nazi record and from the workers at the coal face."

The job of denazifying the Eastern zone meant more than simply throwing the big Nazis into jail. That was extremely important. But if Germany was really to become a democratic country, a real job had to be done in rehabilitating and reeducating thousands of small-time Nazi Party members.

The Soviet authorities held fast to the rule that all sections of the population, with the exception of the very top Nazis and industrialists, must be encouraged to participate in building up the new economic political and social life of the zone. But they recognized that the workers must be the leading force and the prime mover. That is why the building of a strong and powerful trade-union movement, with a real voice in the industrial and political life of the country, was encouraged.

"One of the lesser known differences between Eastern and Western democracy," points out Schaffer, "is that the Russians see nothing out of the way in turning a plumber into a judge."

Nothing wrong at all. And, of the utmost urgency to encour-

age the development of one united working-class political party. I say "encourage," for the unity which was finally achieved through the merger of the Communist and Social Democratic Parties, could not have happened unless the German workers themselves desired it and had worked for it.

The job was not an easy one. Nor will anyone say that it is completed. But what has been proven beyond a shadow of doubt is that a peace-loving, democratic Germany can be built. Provided that the monopolists and the Junkers—the breeders of German fascism and war—are removed. And provided no other monopolists are permitted to take over and start off where the Nazis left off.

The job would have been easier had there been none of the headaches created in the Western zone and had ever closer economic relations been established between Eastern and Western Germany. Eastern Germany, like most of eastern Europe, had always been dependent upon Western Germany for products and goods of a basic nature.

But American Military Government, like the British and French, refused to allow trading of any real consequence. With the result that the Eastern zone had to start from scratch and work a thousand times as hard to keep going and to develop a healthy economy.

There is no unemployment in the Eastern zone, while unemployment in the Western zone embraces more than 10 per cent of the population. And with their natural markets cut off, Germans of the Western areas are going to have to compete more and more with England, France and other West European countries. Which simply means a tug of war and a scramble for markets—something which is already under way. A scramble which is going to do no good for the common people of these countries.

There are plenty of Germans in Western Germany who are beginning to recognize this. As there are many who are beginning to understand that, though they may not like Communism, the German Communists are the only ones who have a program for a free and independent Germany and not a puppet of Wall Street and a stamping ground for a new war.

Yes. The new German Republic is something new in history. Not only because it is the first really democratic Republic

Germany has ever had. But also because it is to this Republic that Germans all over Germany will look as the symbol of and the leader in the fight for a united democratic and peaceful Germany.

And not only Germans. For more and more Americans will realize that the German Republic the Soviet Union helped create is a much, much more reliable friend and ally than the puppet government the American bankers and generals set up in Western Germany.

XV. BLUEPRINT FOR WAR

Five years ago the Allied armies laid down their guns. Their mission had been accomplished. The bloodiest and most costly war that the world had even seen had come to an end. Hitlerism had finally been defeated.

What a sigh of relief went up all over the world. Things would be different now. The dead would be buried and the wounded would be healed. Hideous memories and painful scars would gradually fade into the past as the task of building new lives and new worlds would take precedence over all else. Yalta and Potsdam were assurance of that. The United Nations would guarantee it.

Five years have gone by. Not peace but war is on the horizon. Not security but economic crisis and fascism stand at our threshold. The men of Dillon Read and Standard Oil and General Motors are mad for power and profits and the leaders of the Democratic and Republican Parties alike fall all over themselves to fulfill their masters' wishes. And men who pretend to be leaders of labor, like James Carey, rush to announce their readiness to join hands with Nazis in the next war which they are doing everything they can to bring on.

Five years ago, American soldiers marched into Germany and saw for themselves the "civilization" which the Herrenvolk had shaped. The crematories and concentration camps, the corpses of millions of Jews, of workingmen, of common people who had refused to submit to the "new order."

Five years ago, spokesmen of the Democratic and Republican Parties, conscious of the profound sentiments of the overwhelming numbers of the American people, talked big about how they were going to fight for peace, of how they were

going to help create a new democratic Germany.

Five years have gone by and each day has added a mountain of evidence to show that the Democratic and Republican Party leadership alike had no intention of honoring the agreements of Yalta and Potsdam. Instead of proceeding as did the Soviet Union to denazify Germany, Washington entered into an alliance with the Nazis and their bankers and industrialists. Instead of destroying the military clique that waged war against the peoples of the world, Washington has coddled and nursed them for the day when a new fascist army could be thrown into war against the Soviet Union. Instead of educating the German people for peace, the Truman Administration and its appointees in Berlin are attempting to indoctrinate them with a desire for war and revenge.

The evidence is readily available. Read the United Press dispatch from Frankfurt on May 20: "About half of all state officials and civil servants in the American Occupation zone of Germany are former Nazis, a survey showed today."

Read the Anti-Defamation League Report on Germany. On the freeing of Schacht, Von Papen and Fritz Kuhn. Or of Hitler's personal lieutenants who were let off with minor sentences. How "Karl von Eberstein, the Nazi police chief of Munich... decorated as a Knight of the Nazi Golden Order, was classified as 'lesser offender.' Gertrud Scholz-Klink, top Nazi woman's leader, convicted as a 'major offender,' was set free from jail."

"The denazification procedure," the report points out, "as practiced, placed a premium on forgery, fraud and perjury. Judges and prosecutors who could not be corrupted became the marked victims of terrorists. Prosecution witnesses were unable to find food and lodging during court sessions, but defense witnesses—so many of the glib perjurers—were trans-

ported, fed and housed by 'patriotic' groups. . . .

"Dr. Alonzo Grace, who resigned . . . as director of education and cultural relations . . . once walked into a schoolroom and found the teacher explaining the alphabet. 'A is for Adolf, H is for Hitler, G is for Goebbels,' was her method of recitation.

"Thousands of Nazi-indoctrinated teachers, denazified by

the mass amnesties, regained their status as civil servants. They trooped back into the classrooms, often replacing anti-Nazi teachers appointed by occupation authorities. Of 12,000 Nazi teachers dismissed in Bavaria in 1945, 11,000 are back teaching German children."

This is the pattern of Western Germany under American occupation. This is the pattern every inch of which spells preparation for war, atom bombs, the murder of millions of people. This is a pattern which has no meaning, which never, never could have arisen unless those who were in power were planning war.

Throughout the world people are speaking up against this kind of a future. Can the American people afford to do less?

XVI. DON'T SIT THIS ONE OUT

On March 20, 1950, the New York *Times* told the story of a Dr. Fritz Dorls, head of the Socialist Reich Party, a new Nazi gang. "His is the fastest growing political organization . . . perhaps among all the parties in West Germany," said the *Times*.

You'd think that what with an American High Commissioner and an American Army around he'd be afraid to talk the way he does. But it seems he knows better.

"I was a Nazi Party member from 1929 to the very end—to the very end," boasts Dorls. He isn't in jail today. Oh, no! He's a respectable citizen. A member of Parliament. Head of the "fastest-growing" political party in Germany.

And he makes no bones about his plans. He says right out loud that he wants a Nazi regime again. And he wants war again.

He's only worried about one thing. "The only danger to our plans is an understanding between the United States and Russia. If that happens we are lost—but then that couldn't happen."

And he's not the only one that is worrying about "an understanding between the United States and Russia." And not the only one working to prevent it. Kennan worked at it for a long time. And so did U.S. Steel and Dillon-Read and Standard Oil and General Motors. And so are the two parties

they have sewed up tight-the Republican and Democratic

Party.

and steel bosses and auto barons are doing over there means And what's happening over there, and what American bankers Berlin to Chicago and Cleveland and Detroit and New York. to one thing. The Ruhr is pretty close to Pittsburgh. And These are the facts. Only some of them. But they add up

a mighty lot to every American over here.

them. They don't want a democratic Germany. For theirs is There were agreements we made. The bankers didn't want

a program for war.

But the people of America need peace and must have a

program for peace. Must fight for peace.

tomorrow at home and not on the battlefield. a lot to every American in dollars and cents, in getting up peace, for jobs, for democracy is the kind of fight that means democratic forces of Germany. For the fight they wage for the Nazis. But the American people must make friends of the and their spokesmen in Washington are making friends with The Dillon-Reads, the Standard Oils, the General Motors

It's the kind of fight no decent American workingman,

united Germany without Nazis and militarists, without Now is the time to speak up and fight for a democratic and professional, farmer, small businessman can afford to sit out.

bankers and Junkers.

tion of differences. the Soviet Union, for peaceful discussions and peaceful solu-Now is the time to speak up and fight for negotiations with

on the people's petition for peace. To join in declaring: one's John Henry, as millions are doing-throughout the world, Now is the time to speak up and fight for peace. To put

atom bomb as a criminal. We will regard that government which first uses the We demand that all countries outlaw the atom bomb.

your security, your peace. Get in on this fight. With your shopmate and neighbor, with your family and friends. For it's the key to your job,

READ - STUDY - SPREAD THESE

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